

VZCZCXRO5149
RR RUEHDBU RUEHLN RUEHVK RUEHYG
DE RUEHYE #0300 0731409
ZNR UUUUU ZZH
R 141409Z MAR 07
FM AMEMBASSY YEREVAN
TO RUEHC/SECSTATE WASHDC 5080
INFO RUCNCIS/CIS COLLECTIVE
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHDC 0027

UNCLAS YEREVAN 000300

SIPDIS

SIPDIS

DEPARTMENT FOR EUR/PPD, EUR/CARC

E.O. 12958; N/A

TAGS: [OPRC](#) [AM](#) [KMDR](#) [KPAO](#)

SUBJECT: ARMENIA: MEDIA REACTION ON MCC VP JOHN HEWKO'S VISIT

SUMMARY

¶1. MCC Vice President for Operations John Hewko visited Armenia March 7-9. As part of his visit, Hewko held a press conference that was covered extensively by the major television stations, three newspapers, and a number of news agencies. Press reports focused on Hewko's statement that the MCC program is conditional and the upcoming parliamentary elections will directly affect Armenia's Ruling Justly indicators and subsequent MCC eligibility. In addition, Hewko praised the work of the MCA-Armenia team, stating that he was very happy with how the Compact was being implemented.

ELECTIONS ARE A "VERY, VERY IMPORTANT COMPONENT" OF FREEDOM

¶2. The media widely covered Hewko's comments regarding the importance of Armenia holding free and fair parliamentary elections in May, 2007. Hayastani Hanrapetutium, a government-owned newspaper considered to be the official voice of the Armenian government, reported that Hewko said that MCC was based on the principle of working with countries that are democratic, and that elections are a "very, very important component" of whether a country can be considered free. The newspaper also emphasized Hewko's statement that, "MCC and the U.S. Embassy in Yerevan will continue to monitor the situation closely and will look to independent assessments, in particular the OSCE assessment of the elections, because these assessments capture the issues that affect MCC indicators." Armenian Public TV, the most widely watched station in the country, noted during its evening news program that, according to Hewko, the Millennium Challenge program will continue only if the upcoming elections are free and fair. The station reported that Millennium Challenge provides funds only to countries that uphold democratic values. PanArmenian.net, an independent news agency, reported Hewko's statement that the Armenian Prime Minister, Parliament Speaker and Foreign Minister all assured him that they are "committed to free and fair elections, moving forward, and doing what it takes to make sure that these elections present a significant improvement over the last elections."

MEDIA OUTLETS REPORT ON MILLENNIUM CHALLENGE DETAILS

¶3. The details of the Millennium Challenge Armenia (MCA) program were another focus in media coverage of the press conference. Armenia TV, a private television station, reported that over USD four million dollars in contract funds have already been disbursed to date. The station quoted Hewko as saying, "We expect this program to directly impact approximately 750,000 people, or 75 percent of the rural population, and reduce the rural poverty rates while boosting annual incomes." Armenia TV also reported that U.S.

Charge d'Affaires Anthony Godfrey said, "So far most of the work of MCA Armenia has been to set up the infrastructure for oversight and implementation. The governing council, led by the Prime Minister, and MCA Armenia, led by Ara Hovsepyan, and our own Resident Country Director Alex Russin, have been working to identify the tools that will be used for implementation of the complicated program that will be carried out."

14. Arminfo, an independent news agency, wrote that Hewko, on behalf of the MCC, congratulated Armenia and MCA-Armenia for their "excellent efforts to implement the Armenia compact." Arka news agency reported that the program aims at reducing poverty by stimulating economic growth and developing rural municipal communities. The media outlet noted that, under the five-year program, Armenia intends to restore irrigation systems and rural roads, provide better access to credit and technical support, and assist farmers and agribusinesses.

GODFREY